

OFFICE OF THE STATE CONTROLLER
STATE MANDATED COSTS CLAIMING INSTRUCTIONS NO. 2002-04
SCHOOL DISTRICT FISCAL ACCOUNTABILITY REPORTING

APRIL 8, 2002

In accordance with Government Code Section (GC §) 17561, eligible claimants may submit claims to the State Controller's Office (SCO) for reimbursement of costs incurred for state mandated cost programs. The following are claiming instructions and forms that eligible claimants will use for the filing of claims for the School District Fiscal Accountability Reporting program. These claiming instructions are issued subsequent to adoption of the program's parameters and guidelines (P's & G's) by the Commission on State Mandates (COSM).

Education Codes Sections, 42100, 42127, 42127.5, 42127.6, 42128, 42131, and Government Code Section 3540.2, as added and amended by Chapter 100, Statutes of 1981, et al list the specific new activities required to comply with the budget process.

On October 26, 2000, the COSM determined that Chapter 100/81, et al establish costs mandated by the State according to the provisions listed in the attached P's & G's. For your reference, the P's & G's are included as an integral part of the claiming instructions.

Eligible Claimants

Except for community colleges, any school district, as defined in Government Code Section 17519, that incurs increased costs as a direct result of this mandate is eligible to claim reimbursement of these costs.

Filing Deadlines

A. Reimbursement Claims

Reimbursement claims must be filed within 120 days from the issuance date of claiming instructions. Costs incurred in implementing the provisions of this program are reimbursable for fiscal years 1996-97, through 2000-01 and must be filed with the SCO and be delivered or postmarked on or before **August 6, 2002**. Estimated claims for 2001-02 fiscal year must also be delivered or postmarked on or before **August 6, 2002**. Thereafter, having received payment for an estimated claim, the claimant must file an annual reimbursement claim by January 15 of the following fiscal year. Claims filed after the deadline will be reduced by a late penalty of 10%, not to exceed \$1,000.

In order for a claim to be considered properly filed, it must include any specific supporting documentation requested in the instructions. **Claims filed more than one year after the deadline will not be accepted.**

B. Estimated Claims

Unless otherwise specified in the claiming instructions, school districts are not required to provide cost schedules and supporting documents with an estimated claim if the estimated amount does not exceed the previous fiscal year's actual costs by more than 10%. Claimants

can simply enter the estimated amount on form FAM-27, line (07). However, if the estimated claim exceeds the previous fiscal year's actual costs by more than 10%, claimants must complete supplemental claim forms to support their estimated costs as specified for the program to explain the reason for the increased costs. If no explanation supporting the higher estimate is provided with the claim, it will automatically be adjusted to 110% of the previous fiscal year's actual costs. Future estimated claims filed with the SCO must be postmarked by January 15 of the fiscal year in which costs will be incurred. Claims filed timely will be paid before late claims.

Minimum Claim Cost

GC Section 17564 provides that no claim shall be filed pursuant to Sections 17551 and 17561, unless such a claim exceeds two hundred dollars (\$200), provided that a county superintendent of schools or county may submit a combined claim on behalf of school districts, direct service districts, or special districts within their county if the combined claim exceeds \$200, even if the individual school district's, direct service district's, or special district's claims do not each exceed \$200. The county superintendent of schools or the county shall determine if the submission of the combined claim is economically feasible and shall be responsible for disbursing the funds to each school, direct service, or special district. These combined claims may be filed only when the county superintendent of schools or the county is the fiscal agent for the districts. A combined claim must show the individual claim costs for each eligible district. All subsequent claims based upon the same mandate shall only be filed in the combined form unless a school district, direct service district, or special district provides to the county superintendent of schools or county and to the SCO, at least 180 days prior to the deadline for filing the claim, a written notice of its intent to file a separate claim.

Reimbursement of Claims

Initial reimbursement claims will only be reimbursed to the extent that expenditures can be supported and, if such information is unavailable, claims will be reduced. In addition, ongoing reimbursement claims must be supported by documentation as evidence of the expenditures. Examples of documentation may include, but are not limited to, employee time records that identify mandate activities, payroll records, invoices, receipts, contracts, travel expense vouchers, purchase orders, and caseload statistics.

Audit of Costs

All claims submitted to the SCO are reviewed to determine if costs are related to the mandate, are reasonable and not excessive, and the claim was prepared in accordance with the P's & G's adopted by the COSM. If any adjustments are made to a claim, a "Notice of Claim Adjustment" specifying the claim component adjusted, the amount adjusted, and the reason for the adjustment, will be mailed within 30 days after payment of the claim.

On-site audits will be conducted by the SCO as deemed necessary. Accordingly, all documentation to support actual costs claimed must be retained for a period of two years after the end of the calendar year in which the reimbursement claim was filed or amended regardless of the year of costs incurred. When no funds are appropriated for initial claims at the time the claim is filed, supporting documents must be retained for two years from the date of initial payment of the claim. Claim documentation shall be made available to the SCO on request.

Retention of Claiming Instructions

The claiming instructions and forms in this package should be retained permanently in your Mandated Cost Manual for future reference and use in filing claims. These forms should be duplicated to meet your filing requirements. You will be notified of updated forms or changes to claiming instructions as necessary.

For your reference, these and future mandated costs claiming instructions and forms can be found on the Internet at **www.sco.ca.gov/ard/local/locreim/index.htm**.

Address for Filing Claims

Submit a signed, original form FAM-27, Claim for Payment, and all other forms and supporting documents (no copies necessary) to:

If delivered by

U.S. Postal Service:

Office of the State Controller
Attn: Local Reimbursements Section
Division of Accounting and Reporting
P.O. Box 942850
Sacramento, CA 94250

If delivered by

Other delivery services:

Office of the State Controller
Attn: Local Reimbursements Section
Division of Accounting and Reporting
3301 C Street, Suite 500
Sacramento, CA 95816

Parameters and Guidelines

Education Code Sections 42100, 42127, 42127.5, 42127.6, 42128, 42131,
and Government Code Section 3540.2

Statutes of 1981, Chapter 100
Statutes of 1985, Chapter 185
Statutes of 1986, Chapter 1150
Statutes of 1987, Chapters 917 and 1452
Statutes of 1988, Chapters 1461 and 1462
Statutes of 1990, Chapter 525
Statutes of 1991, Chapter 1213
Statutes of 1992, Chapter 323
Statutes of 1993, Chapters 923 and 924
Statutes of 1994, Chapters 650 and 1002
Statutes of 1995, Chapter 525

School District Fiscal Accountability Reporting

I. SUMMARY OF THE MANDATE

On October 26, 2000, the Commission on State Mandates (Commission) adopted its Statement of Decision finding that Education Code sections 42100, 42127, 42127.5, 42127.6, 42128, and 42131 and Government Code section 3540.2 require some new activities, as specified below, which constitute new programs or higher levels of service within existing programs upon school districts and/or county offices of education within the meaning of article XIII B, section 6 of the California Constitution and impose costs mandated by the state pursuant to Government Code section 17514.

Accordingly, the Commission approved this test claim for the following specific new activities required comply with the budget process:

School District Activities:

1. Sending a statement of receipts and expenditures for the preceding fiscal year to the county superintendent of schools, pursuant to Education Code section 42100.
2. Adjusting for the change in the deadline for adopting the revised school district budget, from on or before September 15, to on or before September 8, pursuant to Education Code section 42127.
3. Making available for public review, not later than 45 days after the Governor signs the annual State Budget Act, any revisions in revenues and expenditures made to the school district budget to reflect the funding made available by that State Budget Act, pursuant to Education Code section 42127.
4. Drafting a statement of correction when the school district incurs a negative balance, pursuant to Education Code section 42127.5.

5. Certifying in writing, either positively, qualifiedly, or negatively, within 45 days after the close of the period being reported, whether the school district is able to meet its financial obligations for the remainder of the fiscal year and, based on current forecasts, for the subsequent fiscal year, pursuant to Education Code section 42131.
6. Filing with the county superintendent of schools a copy of the financial obligation certification, and a copy of the report submitted to the school district governing board required by Education Code section 42130, pursuant to Education Code section 42131.
7. For those school districts with a qualified or negative financial certification, providing to the county superintendent of schools, the State Controller, and the State Superintendent of Public Instruction, no later than June 1 each year, financial statement projections of the school district's fund and cash balances through June 30 for the period ending April 30, pursuant to Education Code section 42131.
8. For those school districts with a qualified or negative financial certification, providing the county superintendent of schools with all information relevant to the financial impact of any collective bargaining agreement, in the format developed by the State Superintendent of Public Instruction, as specifically requested by the county office of education, pursuant to Government Code section 3540.2.

County Office of Education Activities:

9. Verifying the mathematical accuracy of the school district statement of receipts and expenditures for the preceding fiscal year, pursuant to Education Code section 42100.
10. Sending a copy of the verified school district statement of receipts and expenditures for the preceding fiscal year to the State Superintendent of Public Instruction, pursuant to Education Code section 42100.
11. Adjusting for the change in deadline for approval of the revised school district budget, from on or before November 1, to on or before October 8, pursuant to Education Code section 42127.
12. Providing a list to the State Superintendent of Public Instruction, or before September 22, identifying all school districts for which budgets may be disapproved, pursuant to Education Code section 42127.
13. Providing a report to the State Superintendent of Public Instruction, on or before October 8, identifying all school districts for which budgets have been disapproved, including a copy of the written response transmitted to each school district when their budget was disapproved, pursuant to Education Code section 42127.
14. Notifying the State Superintendent of Public Instruction in writing if a county superintendent of schools determines that a school district is unable to meet its financial obligations for the current or two subsequent fiscal years, or if the school district has a qualified or negative certification required by section 42131, pursuant to Education Code section 42127.6.
15. Notifying appropriate county officials that he or she shall not approve any warrants issued by the school district, whenever a school district has not made a budget or filed the interim reports required by section 42130, pursuant to Education Code section 42128.

16. Changing the school district financial certification to negative or qualified, as appropriate, if a county office of education receives a positive certification from the school district, when a negative or qualified certification should have been filed and providing notice of that action to the governing board of the school district and to the State Superintendent of Public Instruction, within 75 days after the close of the applicable reporting period, pursuant to Education Code section 42131.
17. Sending copies of any certification in which the governing board is unable to certify unqualifiedly that financial obligations will be met, and a copy of the report submitted to the governing board pursuant to Section 42130 to the State Controller and the State Superintendent of Public Instruction at the time of certification, together with a completed transmittal form provided by the State Superintendent of Public Instruction, pursuant to Education Code section 42131.
18. Submitting to the State Superintendent of Public Instruction and the State Controller the county superintendent's comments on those school district financial certifications that are classified as qualified or negative, and reporting any action proposed or taken, within 75 days after the close of the applicable reporting period, pursuant to Education Code section 42131.
19. Reporting to the State Controller and State Superintendent of Public Instruction as to whether the governing board of each of the school districts under their jurisdiction has submitted the certification required, and the type of certification filed by each school district, within 75 days after the close of the applicable reporting period, pursuant to Education Code section 42131.

II. ELIGIBLE CLAIMANTS

Any "school district," as defined in Government Code section 17519, except for community colleges, which incurs increased costs as a result of this mandate, is eligible to claim reimbursement.

III. PERIOD OF REIMBURSEMENT

Government Code section 17557, prior to its amendment by Statutes of 1998, chapter 681 (effective September 22, 1998), stated that a test claim must be submitted on or before December 31 following a given fiscal year to establish eligibility for that fiscal year. The test claim for this mandate was submitted on December 22, 1997, therefore all mandated costs incurred on or after July 1, 1996 are reimbursable.

Actual costs for one fiscal year shall be included in each claim. Estimated costs for the subsequent year may be included on the same claim, if applicable. Pursuant to Government Code section 17561, subdivision (d)(1), all claims for reimbursement of initial years' costs shall be submitted within 120 days of release of claiming instructions by the State Controller.

If the total costs for a given fiscal year do not exceed \$200, no reimbursement shall be allowed, except as otherwise provided for by Government Code section 17564.

IV. REIMBURSABLE ACTIVITIES

For each eligible claimant, the following activities are eligible for reimbursement:

A. Annual Statement of Receipts and Expenditures (Ed. Code, § 42100.)

School District Activities

- On or before September 15, the governing board of each school district shall file an annual statement of all receipts and expenditures of the school district for the preceding fiscal year with the county superintendent of schools.

County Office of Education Activities

- On or before October 15, the county superintendent of schools shall verify the mathematical accuracy of the statement of receipts and expenditures for the preceding fiscal year and shall transmit a copy of the statement to the State Superintendent of Public Instruction.

B. Revised Annual Budget (Ed. Code, § 42127, subd. (i)(4).)

School District Activities

- Amending the policies and procedures to reflect the change in deadline for adopting the revised school district budget from on or before September 15, to on or before September 8. (One-time Activity.)
- Not later than 45 days after the Governor signs the annual Budget Act, the school district shall make available for public review any revisions in revenues and expenditures that it has made to its budget to reflect the funding made available by that Budget Act.

County Office of Education Activities

- Amending the policies and procedures to reflect the change in deadline for approval of the revised budget from on or before November 1, to on or before October 8. (One-time Activity.)

C. Negative Fund or Cash Balances (Ed. Code, §§ 42127.5, 42127.6.)

School District Activities

- The governing board of any school district that reported a negative unrestricted fund balance or a negative cash balance in the annual report required by Education Code section 42127 or in the audited annual financial statements required by Education Code section 42120 shall include with the budget submitted in accordance with Education Code section 42127 and the interim certifications required by Education Code section 35015, a statement that identifies the reasons for the negative unrestricted fund balance or negative cash balance and the steps that have been taken to ensure that the negative balance will not occur at the end of the current fiscal year. (Ed. Code, § 42127.5.)

County Office of Education Activities

- If at any time during the fiscal year the county superintendent of schools determines that a school district may be unable to meet its financial obligations for the current or two subsequent fiscal years or if a school district has a qualified certification pursuant to Education Code section 42131, the superintendent shall notify the governing board of the school district and the State Superintendent of Public Instruction in writing of that determination and the basis for the determination. (Ed. Code, § 42127.6, subd. (a).)

D. Disapproved Budgets (Ed. Code, § 42127, subds. (f) and (h).)

County Office of Education Activities

- On or before September 22, the county superintendent of schools shall provide a list to the State Superintendent of Public Instruction identifying all school districts for which budgets may be disapproved. (Ed. Code, § 42127, subd. (f).)
- Not later than October 8, the county superintendent of schools shall submit a report to the State Superintendent of Public Instruction identifying all school districts for which budgets have been disapproved, including a copy of the written response transmitted to each of those school districts pursuant to Education Code section 42127, subdivision (d). (Ed. Code, § 42127, subd. (h).)

E. Certification of Ability to Meet Fiscal Year Obligations (Ed. Code, § 42131.)

School District Activities

- Within 45 days after the close of the period being reported, the governing board of each school district shall certify, in writing, whether or not the school district is able to meet its financial obligations for the remainder of the fiscal year and, based on current forecasts, for the subsequent two fiscal years.¹ The certifications shall be classified as positive, qualified, or negative as prescribed by the State Superintendent of Public Instruction, and shall be based on the financial and budgetary reports required by Education Code section 42130 and additional financial information known by the governing board at the time of the certification. (Ed. Code, § 42131, subd. (a)(2).)
- The school district shall file a copy of each certification and a copy of the financial and budgetary status report submitted pursuant to Education Code section 42130 with the county superintendent of schools (Ed. Code, § 42131, subd. (a)(2).)

County Office of Education Activities

- When a county office of education receives a positive certification that a school district is able to meet its financial obligations, the county office of education shall review the positive certification to determine whether a negative or qualified certification should have been filed. (Ed. Code, § 42131, subd. (a)(2).)
- When a county office of education determines that a positive certification should have been filed as a negative or qualified certification, the county superintendent of

¹ Commonly referred to as multiyear projections.

schools shall change the certification to negative or qualified, as appropriate, and, no later than 75 days after the close of the period being reported, shall provide notice of that action to the governing board of the school district and to the State Superintendent of Public Instruction. (Ed. Code, § 42131, subd. (a)(2).)

- Within 75 days after the close of each reporting period, each county superintendent of schools shall report to the State Controller and the State Superintendent of Public Instruction as to whether the governing board of each school district under his or her jurisdiction has submitted the certification required by Education Code section 42131, subdivision (a). That report shall account for all districts under the jurisdiction of the county office of education and indicate the type of certification filed by each district. (Ed. Code, § 42131, subd. (c).)

F. Qualified and Negative Certifications (Ed. Code, § 42131, subd. (e), Gov. Code, § 3540.2.)

School District Activities

- No later than June 1, the governing board of each school district filing a qualified or negative certification for the second report required under Education Code section 42130, or classified as qualified or negative by the county superintendent of schools, shall provide to the county superintendent of schools, the State Controller, and the State Superintendent of Public Instruction financial statement projections of the district's fund and cash balances through June 30 for the period ending April 30. (Ed. Code, § 42131, subd. (e).)
- A school district with a qualified or negative certification shall provide the county superintendent of schools, upon request, with all information relevant to provide an understanding of the financial impact of any final collective bargaining agreement reached pursuant to Education Code section 3543.2. (Gov. Code, § 3540.2.)

County Office of Education Activities

- At the time of the certification, the county office of education shall submit copies of any certification in which the governing board is unable to certify unqualifiedly that these financial obligations will be met and a copy of the financial and budgetary status report submitted to the governing board pursuant to Education Code section 42130 to the State Controller and the State Superintendent of Public Instruction, together with a completed transmittal form provided by the State Superintendent of Public Instruction. (Ed. Code, § 42131, subd. (a)(2).)
- Within 75 days after the close of the reporting period on all school district certifications that are classified as qualified or negative, the county superintendent of schools shall submit to the State Superintendent of Public Instruction and the State Controller his or her comments on those certifications and report any action proposed or taken pursuant to Education Code section 42131, subdivision (b). (Ed. Code, § 42131, subd. (a)(2).)
- G. Neglect or Refusal to Make a Budget (Ed. Code, § 42128.

County Office of Education Activities

- If the governing board of any school district neglects or refuses to make a school district budget as prescribed by chapter 6, article 2 of the Education Code (beginning with Education Code section 42120), or neglects to file interim financial and budgetary reports pursuant to Education Code section 42130, then the county superintendent of schools shall notify the appropriate county official that he or she shall not approve any warrants issued by the school district.

H. Training

Train staff on implementing the reimbursable activities listed in section IV, activities A through G, of these parameters and guidelines. (One-time activity for each employee.)

V. **CLAIM PREPARATION AND SUBMISSION**

Each claim for reimbursement pursuant to this mandate must be timely filed and identify each of the following cost elements to each reimbursable activity identified in Section IV of this document.

A. Direct Cost Reporting

Direct costs are those costs incurred specifically for the reimbursable activities. Direct costs that are eligible for reimbursement are:

1. Salaries and Benefits

Report each employee implementing the reimbursable activities by name, job classification, and productive hourly rate (total wages and related benefits divided by productive hours). Describe the specific reimbursable activities performed and the hours devoted to each reimbursable activity performed.

2. Materials and Supplies

Report the cost of materials and supplies that have been consumed or expended for the purpose of the reimbursable activities. Purchases shall be claimed at the actual price after deducting discounts, rebates, and allowances received by the claimant. Supplies that are withdrawn from inventory shall be charged on an appropriate and recognized method of costing, consistently applied.

3. Contracted Services

Report the name of the contractor and services performed to implement the reimbursable activities. Attach a copy of the contract to the claim. If the contractor bills for time and materials, report the number of hours spent on the activities and all costs charged. If the contract is a fixed price, report the dates when services were performed and itemize all costs for those services.

4. Fixed Assets and Equipment

Report the purchase price paid for fixed assets and equipment (including computers) necessary to implement the reimbursable activities. The purchase price includes taxes, delivery costs, and installation costs. If the fixed asset or equipment is also used for purposes other than the reimbursable activities, only the pro-rata portion of the purchase price used to implement the reimbursable activities can be claimed.

5. Travel

Report the name of the employee traveling for the purpose of the reimbursable activities. Include the date of travel, destination point, the specific reimbursable activity requiring travel, and related travel expenses reimbursed to the employee in compliance with the rules of the local jurisdiction. Report employee travel time according to the rules of cost element A.1, Salaries and Benefits, for each applicable reimbursable activity.

6. Training

Report the cost of training an employee to perform the reimbursable activities, as specified in Section IV of this document. Report the name and job classification of each employee preparing for, attending, and/or conducting training necessary to implement the reimbursable activities. Provide the title, subject, and purpose (related to the mandate of the training session), dates attended, and location. If the training encompasses subjects broader than the reimbursable activities, only the pro-rata portion can be claimed. Report employee training time for each applicable reimbursable activity according to the rules of cost element A.1, Salaries and Benefits, and A.2, Materials and Supplies. Report the cost of consultants who conduct the training according to the rules of cost element A.3, Contracted Services.

B. Indirect Cost Rates

Indirect costs are costs that have been incurred for common or joint purposes. These costs benefit more than one cost objective and cannot be readily identified with a particular final cost objective without effort disproportionate to the results achieved. After direct costs have been determined and assigned to other activities, as appropriate, indirect costs are those remaining to be allocated to benefit cost objectives. A cost may not be allocated as an indirect cost if any other cost incurred for the same purpose, in like circumstances, has been claimed as a direct cost.

Indirect costs include: (a) the indirect costs originating in each department or agency of the governmental unit carrying out state mandated programs, and (b) the costs of central governmental services distributed through the central service cost allocation plan and not otherwise treated as direct costs.

School districts must use the J-380 (or subsequent replacement) nonrestrictive indirect cost rate provisionally approved by the California Department of Education.

County offices of education must use the J-580 (or subsequent replacement) nonrestrictive indirect cost rate provisionally approved by the California Department of Education.

VI. SUPPORTING DATA

A. Source Documents

For auditing purposes, all incurred costs claimed must be traceable to source documents that show evidence of the validity and relationship to the reimbursable activities. Documents may include, but are not limited to, worksheets, employee time records or time logs, cost allocation reports (system generated), invoices, receipts, purchase orders, contracts, agendas, training packets with signatures and logs of attendees, calendars, declarations, and data relevant to the reimbursable activities otherwise reported in compliance with local, state, and federal government requirements.

B. Record Keeping

Pursuant to Government Code section 17558.5, subdivision (a), a reimbursement claim for actual costs filed by a local agency or school district pursuant to this chapter is subject to audit by the State Controller no later than two years after the end of the calendar year in which the reimbursement claim is filed or last amended.* See the State Controller's claiming instructions regarding retention of required documentation during the audit period.

VII. OFFSETTING SAVINGS AND REIMBURSEMENTS

Any offsetting savings the claimant experiences in the same program as a result of the same statutes or executive orders found to contain the mandate shall be deducted from the costs claimed. In addition, reimbursement for this mandate received from any source, including but not limited to, service fees collected, federal funds and other state funds shall be identified and deducted from this claim.

VIII. STATE CONTROLLER'S OFFICE REQUIRED CERTIFICATION

An authorized representative of the claimant shall be required to provide a certification of the claim, as specified in the State Controller's claiming instructions, for those costs mandated by the state contained herein.

IX. PARAMETERS AND GUIDELINES AMENDMENTS

Parameters and guidelines may be amended pursuant to Title 2, California Code of Regulations, section 1183.2.

* This refers to Title 2, division 4, part 7, chapter 4 of the Government Code.

L A B E L	(01) Claimant Identification Number		
	(02) Claimant Name		
	County of Location		
H E R E	Street Address or P.O. Box		Suite
	City	State	Zip Code

Program 211	SCHOOL DISTRICT FISCAL ACCOUNTABILITY REPORTING Certification Claim Form Instructions	FORM FAM-27
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- (01) Enter the payee number assigned by the State Controller's Office.
- (02) Enter your Official Name, County of Location, Street or P. O. Box address, City, State, and Zip Code.
- (03) If filing an estimated claim, enter an "X" in the box on line (03) Estimated.
- (04) If filing a combined estimated claim on behalf of districts within the county, enter an "X" in the box on line (04) Combined.
- (05) If filing an amended estimated claim, enter an "X" in the box on line (05) Amended.
- (06) Enter the fiscal year in which costs are to be incurred.
- (07) Enter the amount of the estimated claim. If the estimate exceeds the previous year's actual costs by more than 10%, complete form SFAR-1 and enter the amount from line (11).
- (08) Enter the same amount as shown on line (07).
- (09) If filing a reimbursement claim, enter an "X" in the box on line (09) Reimbursement.
- (10) If filing a combined reimbursement claim on behalf of districts within the county, enter an "X" in the box on line (10) Combined.
- (11) If filing an amended reimbursement claim, enter an "X" in the box on line (11) Amended.
- (12) Enter the fiscal year for which actual costs are being claimed. If actual costs for more than one fiscal year are being claimed, complete a separate form FAM-27 for each fiscal year.
- (13) Enter the amount of the reimbursement claim from form SFAR-1, line (11). The total claimed amount must exceed \$1,000.
- (14) Reimbursement claims must be filed by January 15 of the following fiscal year in which costs were incurred or the claims shall be reduced by a late penalty. Enter zero if the claim was timely filed, otherwise, enter the product of multiplying line (13) by the factor 0.10 (10% penalty), not to exceed \$1,000.
- (15) If filing a reimbursement claim or an estimated claim was previously filed for the same fiscal year, enter the amount received for the claim. Otherwise, enter a zero.
- (16) Enter the result of subtracting line (14) and line (15) from line (13).
- (17) If line (16), Net Claimed Amount, is positive, enter that amount on line (17), Due from State.
- (18) If line (16), Net Claimed Amount, is negative, enter that amount on line (18), Due to State.
- (19) to (21) Leave blank.
- (22) to (36) Reimbursement Claim Data. Bring forward the cost information as specified on the left-hand column of lines (22) through (36) for the reimbursement claim, e.g., SFAR-1, (04)(1)(f), means the information is located on form SFAR-1, line (04)(1), column (f). Enter the information on the same line but in the right-hand column. Cost information should be rounded to the nearest dollar, i.e., no cents. Indirect costs percentage should be shown as a whole number and without the percent symbol, i.e., 7.548% should be shown as 8. **Completion of this data block will expedite the payment process.**
- (37) Read the statement "Certification of Claim." If it is true, the claim must be dated, signed by the agency's authorized officer, and must include the person's name and title, typed or printed. **Claims cannot be paid unless accompanied by an original signed certification. (To expedite the payment process, please sign the form FAM-27 with blue ink, and attach a copy of the form FAM-27 to the top of the claim package.)**
- (38) Enter the name, telephone number, and e-mail address of the person to contact if additional information is required.

SUBMIT A SIGNED ORIGINAL, AND A COPY OF FORM FAM-27, WITH ALL OTHER FORMS AND SUPPORTING DOCUMENTS TO:

Address, if delivered by U.S. Postal Service:

OFFICE OF THE STATE CONTROLLER
 ATTN: Local Reimbursements Section
 Division of Accounting and Reporting
 P.O. Box 942850
 Sacramento, CA 94250

Address, if delivered by other delivery service:

OFFICE OF THE STATE CONTROLLER
 ATTN: Local Reimbursements Section
 Division of Accounting and Reporting
 3301 C Street, Suite 500
 Sacramento, CA 95816

Program 211	MANDATED COSTS SCHOOL DISTRICT FISCAL ACCOUNTABILITY REPORTING CLAIM SUMMARY					FORM SFAR-1
(01) Claimant			(02) Type of Claim		Fiscal Year	
			Reimbursement <input type="checkbox"/>			
			Estimated <input type="checkbox"/>		20__/20__	
Claim Statistics						
(03) Leave Blank						
Direct Costs		Object Accounts				
(04)	(a)	(b)	(c)	(d)	(e)	(f)
Reimbursable Components	Salaries and Benefits	Materials and Supplies	Contract Services	Fixed Assets	Travel and Training	Total
1. Annual Statement of Receipts & Expenditures						
2. Revised Annual Budget						
3. Negative Fund or Cash Balances						
4. Disapproved Budgets						
5. Certification of Ability to Meet FY Obligations						
6. Qualified and Negative Certifications						
7. Neglect or Refusal to Make a Budget						
8. Training						
(05) Total Direct Costs						
Indirect Costs						
(06) Indirect Cost Rate					[From J-380 or J-580]	%
(07) Total Indirect Costs					[Line (05)(a) x line (06)]	
(08) Total Direct and Indirect Costs					[Line (05)(f) + line (07)]	
Cost Reduction						
(09) Less: Offsetting Savings						
(10) Less: Other Reimbursements						
(11) Total Claimed Amount					[Line (08) - {line (09) + line (10)}]	

Program 211	SCHOOL DISTRICT FISCAL ACCOUNTABILITY REPORTING CLAIM SUMMARY Instructions	FORM SFAR-1
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- (01) Enter the name of the claimant.
- (02) Type of Claim. Check a box, Reimbursement or Estimated, to identify the type of claim being filed. Enter the fiscal year of costs.
- Form SFAR-1 must be filed for a reimbursement claim. Do not complete form FAR-1 if you are filing an estimated claim and the estimate does not exceed the previous fiscal year's actual costs by more than 10%. Simply enter the amount of the estimated claim on form FAM-27, line (07). However, if the estimated claim exceeds the previous fiscal year's actual costs by more than 10%, form SFAR-1 must be completed and a statement attached explaining the increased costs. Without this information the estimated claim will automatically be reduced to 110% of the previous fiscal year's actual costs.
- (03) Leave blank.
- (04) Reimbursable Components. For each reimbursable component, enter the totals from form SFAR-2, line (05), columns (d) through (h), to form SFAR-1, block (04), columns (a) through (e), in the appropriate row. Total each row.
- (05) Total Direct Costs. Total columns (a) through (f).
- (06) Indirect Cost Rate. Enter the indirect cost rate from the Department of Education form J-380 or J-580, as applicable for the fiscal year of costs.
- (07) Total Indirect Costs. Enter the result of multiplying the Indirect Cost Rate, line (06), by the Total Salaries and Benefits, line (05)(a).
- (08) Total Direct and Indirect Costs. Enter the sum of Total Direct Costs, line (05)(f), and Total Indirect Costs, line (07).
- (09) Less: Offsetting Savings. If applicable, enter the total savings experienced by the claimant as a direct result of this mandate. Submit a detailed schedule of savings with the claim.
- (10) Less: Other Reimbursements. If applicable, enter the amount of other reimbursements received from any source including, but not limited to, service fees collected, federal funds, and other state funds, which reimbursed any portion of the mandated cost program. Submit a schedule detailing the reimbursement sources and amounts.
- (11) Total Claimed Amount. From Total Direct and Indirect Costs, line (08), subtract the sum of Offsetting Savings, line (09), and Other Reimbursements, line (10). Enter the remainder on this line and carry the amount forward to form FAM-27, line (07) for the Estimated Claim or line (13) for the Reimbursement Claim.

Program 211	MANDATED COSTS SCHOOL DISTRICT FISCAL ACCOUNTABILITY REPORTING COMPONENT/ACTIVITY COST DETAIL	FORM SFAR-2
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(01) Claimant

(02) Fiscal Year

(03) Reimbursable Components: Check only **one** box per form to identify the component being claimed.☐ Annual Statement of Receipts & Expenditures☐ Revised Annual Budget☐ Negative Fund or Cash Balances☐ Disapproved Budgets☐ Certification of Ability to Meet Fiscal Year Obligations☐ Qualified and Negative Certifications☐ Neglect or Refusal to Make a Budget☐ Training

(04) Description of Expenses

Object Accounts

(a) Employee Names, Job Classifications, Functions Performed, and Description of Expenses	(b) Hourly Rate or Unit Cost	(c) Hours Worked or Quantity	(d) Salaries and Benefits	(e) Materials and Supplies	(f) Contract Services	(g) Fixed Assets	(h) Travel and Training
(05) Total <input type="checkbox"/> Subtotal <input type="checkbox"/> Page: ____ of ____							

Program 211	SCHOOL DISTRICT FISCAL ACCOUNTABILITY REPORTING COMPONENT/ACTIVITY COST DETAIL Instructions	FORM SFAR-2
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- (01) Claimant. Enter the name of the claimant. If more than one department has incurred costs for this mandate, give the name of each department. A separate form SFAR-2 should be completed for each department.
- (02) Fiscal Year. Enter the fiscal year for which costs were incurred.
- (03) Reimbursable Components. Check the box which indicates the cost component being claimed. Check only one box per form. A separate form SFAR-2 shall be prepared for each applicable component.
- (04) Description of Expenses. The following table identifies the type of information required to support reimbursable costs. To detail costs for the component activity box "checked" in block (03), enter the employee names, position titles, a brief description of the activities performed, actual time spent by each employee, productive hourly rates, fringe benefits, supplies used, contract services, travel and training expenses. **The descriptions required in column (4)(a) must be of sufficient detail to explain the cost of activities or items being claimed.** For audit purposes, all supporting documents must be retained by the claimant for a period of not less than three years after the date the claim was filed or last amended, whichever is later. If no funds were appropriated and no payment was made at the time the claims are filed, the time for the Controller to initiate an audit shall be three years from the date of initial payment of the claim. Such documents shall be made available to the State Controller's Office on request.

Object/ Sub object Accounts	Columns								Submit supporting documents with the claim
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	
Salaries	Employee Name	Hourly Rate	Hours Worked	Salaries = Hourly Rate x Hours Worked					
Benefits	Title Activities	Benefit Rate		Benefits = Benefit Rate x Salaries					
Materials and Supplies	Description of Supplies Used	Unit Cost	Quantity Used		Cost = Unit Cost x Quantity Used				
Contract Services	Name of Contractor Specific Tasks Performed	Hourly Rate	Hours Worked Inclusive Dates of Service			Cost = Hourly Rate x Hours Worked			Copy of Contract
Fixed Assets	Description of Equipment Purchased	Unit Cost	Usage				Cost = Unit Cost x Usage		
Travel and Training	Purpose of Trip Name and Title	Per Diem Rate	Days					Cost = Rate x Days or Miles	
Travel	Departure and Return Date	Mileage Rate Travel Cost	Miles Travel Mode					or Total Travel Cost	
Training	Employee Name/Title Name of Class		Dates Attended					Registration Fee	

- (05) Total line (04), columns (d) through (h) and enter the sum on this line. Check the appropriate box to indicate if the amount is a total or subtotal. If more than one form is needed to detail the component/activity costs, number each page. Enter totals from line (05), columns (d) through (h) to form SFAR-1, block (05), columns (a) through (e) in the appropriate row.